Notice of 2026 Annual Meetings
of the
Board of Directors and Members
The Villas at Disney's Grand Californian Hotel Condominium Association, Inc.

To: William C. Diercksen, President and Director
Allison Choate, Director
Kelly Blakely, Director
Shannon Sakaske, Director
Yvonne Chang, Director

To: Disney Vacation Development, LLC ("DVD"), as Authorized Voting Representative for all units ("Units") declared as part of the project (the "DVC Resort") for The Villas at Disney's Grand Californian Hotel Condominium Association, Inc. (the "Association")

Under the terms of the Master Cotenancy Agreement (the "Agreement") among DVD, Disney Vacation Club Management, LLC and each owner of an Ownership Interest in a Unit (the "Owner"), DVD has been designated as the Authorized Voting Representative for each Unit in the DVC Resort for any meeting of the Association.

Pursuant to the Agreement and to the applicable provisions of the bylaws of the Association (the "Bylaws"), notice is hereby given to DVD, as the Authorized Voting Representative, the Owners and the members of the Board of Directors for the Association (the "Board") that the **2026 Annual Meeting of the Board of Directors and the 2026 Annual Meeting of the Members will take place beginning at 12:30 p.m. PST on Tuesday, December 8, 2026, at The Disneyland Hotel Adventure Tower** located at 1150 West Magic Way, Anaheim, California, United States, 92802 via two-way audio. You may also attend the meetings at Disney's Contemporary Resort Convention Center, located at 4600 North World Drive, Lake Buena Vista, Florida 32830. The purposes of the meetings are to conduct all business properly brought before the Board and the Association, including to elect the members of the Board and to review and adopt the proposed 2027 Estimated Annual Budget for the Association (the "Budget").

The following items of business will be conducted at the meetings:

(1) Resolution to be Adopted. The following resolution will be presented for adoption for the Association:

> (a) Excess Assessments. Any assessments collected by or paid to the Association in excess of operating expenses for the year ended December 31, 2026, shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by the Internal Revenue Code under IRC Section 118 and Revenue Rulings 75-370 and 75-371. Such amounts shall be deposited into insured interest-bearing accounts and shall be allocated to the various components at the discretion of the Board.

(2) 2027 Estimated Annual Operating and Reserves Budget. The proposed 2027 Estimated Annual Operating and Reserves Budget for the Association will be reviewed and presented for adoption.

The resolution outlined above and the 2027 Estimated Annual Operating and Reserves Budget will be presented at the Annual Member Meeting. As the authorized Voting Representative for each Unit of the DVC Resort, DVD has reviewed the proposed resolution and budget and intends to cast each Unit's vote to approve the resolution and budget when presented for approval at the Annual Member Meeting.

In addition to the matters listed above, an election will be held at the Annual Member Meeting to elect directors to the Board. DVD, as the authorized Voting Representative for each Unit of the DVC Resort, intends to elect the following individuals to the Board:

William C. Diercksen
President and Director

Shannon Sakaske
Director

Yvonne Chang
Director

Allison Choate
Director

Kelly Blakely
Director

Annual Board of Directors Meeting Agenda:

1. Call to Order
2. Declaration of Chairperson of the Meeting
3. Calling of the Roll
4. Verification of Quorum
5. Proof of Notice of Meeting
6. Approval of December 9, 2025, Board of Directors Meeting Minutes
7. New Business:
    a. Presentation of Budget
8. Adjournment

Annual Member Meeting Agenda:

1. Call to Order
2. Election of Chairperson of the Meeting
3. Calling of the Roll
4. Verification of Quorum
5. Proof of Notice of Meeting
6. Approval of December 9, 2025, Annual Owners' Meeting Minutes
7. Election of Directors
8. New Business:
    a. Presentation of Resolution for Approval
    b. Presentation of Budget
9. Resort Updates
10. Question and Answer Session
11. Adjournment

November 20, 2026

The Villas At Disney's Grand Californian Hotel Condominium Association, Inc.

The 2027 Budgets were calculated based on the Association's 2026 fiscal year operating experience and anticipated or known changes in costs for 2027. Please direct Annual Dues questions to Member Accounting at 800-800-9800 or 407-566-3800, Option 3.

Estimated Operating Budget For The Year January 1, 2027 Through December 31, 2027

Condominium Common Expenses	Total Condominium Common Expenses - 203 Hotel Units and 48 Vacation Ownership Units	Hotel Units - 203 Units	Vacation Ownership Units - 48 Units
Revenue Components			
Member Late Fees and Interest	$7,915	$0	$7,915
Annual Assessment	1,455,306	836,126	619,180
TOTAL REVENUES AND INCOME	**$1,463,221**	**$836,126**	**$627,095**
Cost Components			
Administration and Management	$303,490	$173,423	$130,067
Housekeeping	570,376	325,929	244,447
Income Taxes	17,957	10,261	7,696
Insurance	105,126	60,072	45,054
Maintenance	197,386	112,792	84,594
Condominium Management Fee	155,925	89,100	66,825
Security	48,755	27,860	20,895
Utilities	64,206	36,689	27,517
TOTAL CONDOMINIUM COMMON EXPENSES	**$1,463,221**	**$836,126**	**$627,095**

Vacation Ownership Common Expense Budget	48 Vacation Homes	
Revenue Components	**Budget**	**Per Vacation Point**
Member Late Fees and Interest	$79,151	$0.07
Breakage Income	250,978	0.22
Member Annual Dues Assessment	7,733,481	6.80
Condominium Common Revenue and Income	836,126	0.74
TOTAL REVENUES AND INCOME	**$8,899,736**	**$7.83**
Cost Components		
Administration and Front Desk	$1,430,640	$1.26
Annual Audit	15,800	0.01
Bad Debt Expense	13,031	0.01
Condominium Common Expenses	836,126	0.74
DVC Reservation Component	7,734	0.01
Housekeeping	2,444,474	2.16
Income Taxes	76,960	0.07
Insurance	498,108	0.44
Legal	1,000	0.00
Maintenance	845,944	0.74
Vacation Ownership Plan Management Fee	1,048,730	0.92
Member Activities	453,023	0.40
Security	208,946	0.18
Transient Occupancy Tax	744,049	0.65
Utilities	275,171	0.24
TOTAL OPERATING EXPENSES excluding property tax	**$8,899,736**	**$7.83**
Ad Valorem Real Estate Taxes	**$1,477,939**	**$1.30**
TOTAL OPERATING EXPENSES including property tax	**$10,377,675**	**$9.13**

Estimated Operating Budget Notes

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Declaration of Covenants, Conditions and Restrictions and Condominium and Vacation Ownership Plan of The Villas at Disney's Grand Californian Hotel ("Resort"), a Leasehold Condominium. See also Additional Budget Notes.

Description of Condominium Revenue Components:

1. Member Late Fees and Interest - All delinquent Annual Dues payments are subject to a late fee in an amount equal to the greater of $10.00 or ten percent (10 percent) of the delinquent Annual Dues, plus interest at the maximum rate permitted by law (currently 12 percent) accrued on the amount outstanding from the date which is thirty (30) days after the original due date.

2. Annual Assessment - The amount assessed to Owners with an Ownership Interest in The Villas at Disney's Grand Californian Hotel.

Description of Condominium Cost Components:

1. Administration and Management - Cost of resort management, including operating supplies and equipment rental. Also includes costs for operational and administrative support from the Disneyland® Resort ("DLR").

2. Housekeeping - Cost of cleaning the Common Areas and Common Furnishings.

3. Income Taxes - Federal income taxes and state taxes. Timeshare condominium associations may not claim non-profit status for federal income tax purposes under current regulations.

4. Insurance - Cost of insurance premiums for the Common Areas and Common Furnishings for property coverage and general liability, workers' compensation, crime and Director's and Officer's liability.

5. Maintenance - Cost of interior and exterior maintenance and repairs of Common Areas not paid for out of replacement reserves. Also includes landscaping, pest control and fire alarm monitoring.

6. Condominium Management Fee - Fee paid to DVCM for providing management services to the Association according to the Property Management Agreement. The fee is equal to 12 percent of the total Operating and Reserve Budget for the operation and management of the Condominium as a whole exclusive of real estate taxes, and the Condominium Management Fee, itself.

7. Security - A portion of the cost of guard coverage at the Resort allocated to the Common Areas.

8. Utilities - Cost of electricity, gas, water, sewer, solid waste disposal, cable television, internet and telephone service for the Common Areas of the Resort.

Description of Vacation Ownership Revenue Components:

1. Member Late Fees and Interest - All delinquent Annual Dues payments are subject to a late fee in an amount equal to the greater of $10.00 or ten percent (10 percent) of the delinquent Annual Dues, plus interest at the maximum rate permitted by law (currently 12 percent) accrued on the amount outstanding from the date which is thirty (30) days after the original due date.

2. Breakage Income - As stated in the Condominium Documents, Disney Vacation Club Management, LLC ("DVCM") rents, during the Breakage Period, certain accommodations that have not been reserved by Members. The Association is entitled to receive, as breakage income, the proceeds of such rentals not to exceed 2.5 percent of the aggregate of the Condominium Operating Budget (total operating expenses less the sum of Condominium common expenses and Member late fees and interest) and Capital Reserve Budget in each calendar year.

3. Member Annual Dues Assessment - The amount assessed to Owners with an Ownership Interest in The Villas at Disney's Grand Californian Hotel.

Description of Vacation Ownership Cost Components:

1. Administration and Front Desk - Cost of front desk operations and resort management exclusively for the benefit of the Vacation Ownership Plan, including operating supplies and equipment rental. Also includes costs for operational and administrative support from the Disneyland® Resort ("DLR").

2. Annual Audit - Fee for the independent audit of the Association's financial statements.

3. Bad Debt Expense - Estimate of member annual dues assessments that will not be collected during the year.

4. DVC Reservation Component - Fee paid to Buena Vista Trading Company for providing the exchange component of the Club central reservation system.

5. Housekeeping - Cost of cleaning Vacation Homes and replacement of disposable amenities in Vacation Homes. Also includes the purchase, replacement, and cleaning of linens and towels.

6. Income Taxes - Federal income taxes and state taxes. Timeshare condominium associations may not claim non-profit status for federal income tax purposes under current regulations.

7. Insurance - Cost of insurance premiums for the Vacation Homes for property coverage, general liability, workers' compensation, crime and Director's and Officer's liability.

8. Legal - Cost of legal counsel regarding Association business.

9. Maintenance - Cost of maintenance and repairs of Vacation Homes not paid for out of replacement reserves.

10. Vacation Ownership Plan Management Fee - Fee paid to DVCM for providing management services to the Association according to the Property Management Agreement. The fee is equal to 12 percent of the total Operating and Reserve Budget for the operation and management of the Vacation Ownership Plan exclusive of real estate taxes, and the management fee, itself.

11. Member Activities - Cost of recreation operations, certain Member activities and events at the Resort. Cost of quarterly Member newsletter, annual Association meetings and printing and postage for Association legal mailings.

12. Security - A portion of the cost of guard coverage at the Resort allocated to the Vacation Homes.

13. Transient Occupancy Tax - Tax on timeshare occupancy in the City of Anaheim, California.

14. Utilities - Cost of electricity, gas, water, sewer, solid waste disposal, cable television, internet and telephone service for the Vacation Homes at the Resort.

General Notes:

1. Condominium Common Expenses and Vacation Ownership Common Expenses - The Condominium Common Expenses are the expenses incurred by the Association in operating, maintaining, and managing the Condominium as a whole and such expenses are allocated between the Hotel Units and the Vacation Homes. The Vacation Ownership Expenses are the expenses incurred by the Association in operating, maintaining and managing the Vacation Ownership Plan and are payable solely by Owners of Vacation Ownership Units. All expenses of owning, operating and managing the Hotel Units (e.g., housekeeping of hotel rooms) are paid directly by the Owner(s) of the Hotel Units and are not included in the Association's Budgets.

2. Centralized and Shared Services - Certain of the variable and semi-variable expenses related to the provision of certain services to the Condominium as set forth in the 2027 Estimated Annual Operating Budget, including expenses for housekeeping, maintenance, and front desk operations, may be lower than they otherwise would be if such services were being provided only to the Condominium instead of taking into account that the services are also being provided to Hotel Units and hotel rooms that are not part of the Condominium.

3. Developer Guarantee - Pursuant to a Maintenance/Subsidy Agreement, DVD has agreed to guarantee to the Association that for the calendar year of this Budget no Owner will be required to pay more than the Annual Dues Assessment (exclusive of Ad Valorem Taxes) set forth in this Budget and that DVD will pay the difference between the actual costs incurred in operating the Condominium during the calendar year and all amounts assessed to Owners other than DVD with respect to such operating costs. Provided DVD timely performs its obligations under the Maintenance/Subsidy Agreement, DVD's payments thereunder to the Association shall satisfy fully its obligation to pay assessments attributable to each Ownership Interest owned by DVD. However, any expenses incurred during the calendar year resulting from a natural disaster or an act of God and/or required repair or replacement of damage to the Condominium, which are not covered by insurance proceeds from the insurance maintained by the Association, will be assessed against all Owners on the date of such natural disaster, act of God or other damage, or their successors or assigns, including DVD as to its unsold Ownership Interest. The Maintenance/Subsidy Agreement shall automatically be renewed for successive one-year periods unless DVD elects to terminate the Maintenance/Subsidy Agreement upon thirty (30) days prior written notice to the Association.

See also Additional Budget Notes.

Estimated Capital Reserves Budget for January 1, 2027 Through December 31, 2027

Replacement Fund Components	TOTAL CONDOMINIUM COMMON AREA RESERVES: 203 Hotel Units and 48 Vacation Ownership Units	TOTAL CONDOMINIUM COMMON AREA RESERVES: Hotel Units - 203 Units	TOTAL CONDOMINIUM COMMON AREA RESERVES: Vacation Ownership Units - 48 Units	VACATION OWNERSHIP RESERVES (Inclusive of Common Area): Vacation Ownership Units - 48 Units	VACATION OWNERSHIP RESERVES (Inclusive of Common Area): Per Vacation Point
Capital Reserves	$68,722	$39,270	$29,452	$2,093,777	$1.84
Interest Income	(28,109)	(16,062)	(12,047)	(15,904)	(0.01)
Shared Area Income				(23,208)	(0.02)
TOTAL CAPITAL RESERVES BUDGET	**$40,613**	**$23,208**	**$17,405**	**$2,054,665**	**$1.81**

Capital Reserve Analysis For The Year Ended December 31, 2026

Replacement Fund Components	Estimated Fund Balance as of December 31, 2026	Estimated Useful Lives (Years)	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs (48 Vacation Ownership Units)	Estimated Current Common Area Replacement Costs (203 Hotel Units and 48 Vacation Ownership Units)
Roof Replacement/Repair		25	7	$362,499	$843,021
Interior Refurbishment		1 - 28	1 - 12	33,800,869	-
External Building Painting		3 - 12	1 - 6	1,548,624	3,601,451
Common Element Renovation		1 - 36	1 - 20	4,590,604	10,675,823
Pavement Resurfacing		10	2	20,863	48,519
Capital Reserves	$4,435,672				
TOTAL	**$4,435,672**			**$40,323,459**	**$15,168,814**

Estimated Capital Reserves Budget Notes

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Declaration of Covenants, Conditions and Restrictions and Condominium and Vacation Plan of The Villas at Disney's Grand Californian Hotel, a Leasehold Condominium. See also Additional Budget Notes.

1. Funds Covered - The annual budget for Capital Reserves covers funds set aside for the repair or replacement of major items pertaining to the Units and Common Elements with a useful life of greater than one year. The interest earned on these funds remains in the Capital Reserves account and is not absorbed into the Operating Budgets.

See also Additional Budget Notes.

Additional Budget Notes

1. 2027 Dollars - All costs are stated in 2027 dollars unless otherwise indicated.

2. Shared Facilities - The use of certain facilities, including without limitation, hotel check-in facility, back office facilities, telephone equipment rooms, etc., are being provided to the Resort pursuant to the terms of either the Property Management Agreement or the Master Declaration as a shared area, the cost of operating and maintaining such facilities being apportioned among its users including Owners. If the Resort was required to provide such facilities within the Condominium Property and solely for the use and benefit of the Owners, the cost of operating the Condominium Property would increase.

3. Books and Records - The books and records for the Association are maintained at: 215 Celebration Place, Suite 300, Celebration, Florida 34747. The person responsible for the upkeep and custodianship of the books and records of the Association is the Treasurer of the Association, (407) 566-3800.

4. Related Party Transactions - DVD is a Florida limited liability company and a related entity of The Walt Disney Company ("TWDC"), a Delaware corporation. DVD acquired a term-for-years interest in certain property, located in Anaheim, California. DVD developed the Condominium on the property, and sells ownership interests in Condominium units, as part of the vacation ownership plan. DVD developed the Condominium under the terms of a ground lease by and between Walt Disney Parks and Resorts U.S., Inc. ("WDPR"), a Florida corporation (formerly Walt Disney World Co.), its successors and assigns, as successor by merger to Walt Disney World Hospitality & Recreation Corporation, ("WDWHRC"), and DVD. WDPR is also a subsidiary of TWDC. The terms of the ground lease permit DVD to develop certain real property in Orange County, California, for the purpose of offering prospective purchasers ownership interests in Condominium units as part of the vacation ownership plan. Unless otherwise extended, the ground lease will expire on January 31, 2060 and vest to the benefit of WDPR.

   Certain directors or officers of DVD or Disney Vacation Club Management, LLC ("DVCM") serve on the Board or as officers of the Association. Certain directors or officers of the Association are also employees of TWDC or its affiliates.

   DVD retains no less than 2 percent of the total ownership interests in each unit declared in the Condominium and is responsible for annual dues with respect to its retained or unsold ownership interests. DVD has retained ownership interests equivalent to approximately 22,756 vacation points. In addition, DVD had unsold ownership interests equivalent to approximately 7,525 vacation points as of December 31, 2025. During the year ended December 31, 2025, DVD annual dues paid to the Association were $178,905.

   As of December 31, 2025, the amount due to DVD of $818,586 is primarily related to transient occupancy and ad valorem taxes paid on behalf of the Association by DVD.

   DVCM, a Florida limited liability company, is the manager of the Association and is also a subsidiary of TWDC. DVCM provides goods and services for the resort and the Association and procures goods and services for the resort and the Association from affiliates, including DVD and TWDC.

   Management fees payable to DVCM are 12 percent of the total annual operating and reserve budget exclusive of real estate taxes, transportation fees, and the management fee, itself. Management fees incurred during the year ended December 31, 2025, were $936,333.

   DVCM has entered into an agreement with the Association whereby DVCM may operate a resort hotel operation with respect to the rental of unreserved accommodations in the Condominium. Proceeds, resulting from the rental of unreserved accommodations, are retained by the Association up to an amount equal to 2.5 percent of the adjusted operating and reserve budget, as defined, in each calendar year, as breakage revenue. During the year ended December 31, 2025, the Association received $224,080 in breakage revenue.

Substantially all operating expenses have been allocated to the Association from DVCM, and certain operating expenses have been rendered by or incurred through other TWDC entities.

Amounts due to or from DVCM are payable in full and due on demand. As of December 31, 2025, the amount due to DVCM of $89,370 related to allocable expenses, net of annual dues collected but not yet remitted to the Association.

5. Management Agreement - The Association currently has a three-year management agreement ending on December 15, 2028 with DVCM. The management agreement automatically renews for successive periods of three (3) years each, upon its scheduled expiration, unless either party gives the other written notice of nonrenewal, as stipulated in the agreement. DVCM provides on-site management and maintenance services, and off-site administrative and accounting services.

   Pursuant to the management agreement, DVCM has been delegated the authority by the Association to provide all services, through employees and experts retained by it, incidental to the management and operation of the Condominium. In connection therewith, substantially all operating expenses have been allocated to the Association from DVCM. However, certain operating expenses may be incurred through other TWDC entities.

6. Vacation Homes - Wherever used throughout this budget, the term Vacation Home does not include studio or one bedroom accommodations that comprise part of a two bedroom lockoff Vacation Home.

Estimated Ad Valorem Taxes for January 1, 2027 through December 31, 2027

The amount of ad valorem taxes assessed against the Condominium as a whole will be determined by the Orange County Assessor. The estimated ad valorem tax assessments to be included on your 2027 Annual Dues billing statement will be $1.30 per Vacation Point. This is DVCM's best estimate of the actual taxes, which will be assessed for the tax year 2027. DVCM does not certify this ad valorem tax estimate. Each Owner is responsible for his or her per Vacation Point share of the actual tax bill received each year from the tax collector's office. Any difference between the tax estimate and actual taxes paid on the Owner's behalf will be applied towards the Owner's subsequent year's tax assessment. Section 2 of Article XIIIA of the California Constitution (enacted by Proposition 13) establishes an acquisition-value assessment system. It provides that real property is to be assessed at its value when acquired through a change of ownership or by new construction. Thereafter, increases in the taxable value of property are limited. As a result, similar properties may have different taxable values. However, the Condominium Documents permit the Association to allocate Ad Valorem Taxes in any equitable manner, including in the same manner in which Common Expenses are allocated. For tax year 2027, the ad valorem taxes are allocated in the same manner as Common Expenses are allocated (on a per Vacation Point basis). In the future, ad valorem tax assessments may be specifically assessed against each Ownership Interests which would result in Owners paying different amounts of taxes depending on when Owners purchased their Ownership Interest.

2027 Estimated Annual Dues Assessment

The estimated Annual Dues for the year January 1, 2027 through December 31, 2027 are $9.91 per Vacation Point, which is comprised of the estimated Annual Operating Budget ($6.80 per Vacation Point), the estimated Annual Capital Reserves Budget ($1.81 per Vacation Point) and the estimated ad valorem taxes ($1.30 per Vacation Point). The total amount of Annual Dues paid by a Purchaser or Owner is determined by multiplying the total number of Vacation Points represented by the Ownership Interest purchased by $9.91. For example, if the Ownership Interest is represented by 230 Vacation Points, the estimated Annual Dues would be $2,279.30.